

VOLUME I

CHAPTER 5

POSTAGE STOCK

500. PURPOSE . This chapter regulates the procurement, sale, and accountability of postage stamps and stamped paper.

501. GENERAL .

1. Stamp Stock. Hereafter, stamp stock is referred to as stock and is advanced on a flexible credit basis to a PFO by an accountable postmaster. Stock may be advanced on a fixed or flexible basis to a COPE by a PFO or an accountable postmaster. Only persons properly designated as COPES, or PCs are authorized to sell stock or operate postage meters. PFOS and COPES receiving stock directly from an accountable postmaster shall order stock from the designated source of supply as shown below:

<u>Postal Activity</u>	<u>Postmaster</u>
09XXX	New York
34XXX	
96XXX	San Francisco
98XXX	

2. Remittances. Throughout this chapter, the term "remittances" refers to a check, MO, paid USPS MO, or cash.

a. Authorized methods for remitting funds are:

- (1) Check issued by a recognized check-issuing facility.
- (2) No-Fee Postal MO. (See Chapter 7, paragraph 706.5)
- (3) Nonpostal MO.
- (4) Paid USPS MO.
- (5) Travelers Checks. (See paragraph 501.9)
- (6) Personal Checks. (See paragraph 501.8)
- (7) Cash (If checks and MOs are not available)

b. Remittances containing a check or MO shall be submitted using first-class USPS indicia mail. All remittance checks shall be postmarked legibly on the reverse so the remitting post office can be identified. Requisitions between COPES and PFOS may be made utilizing first-class, USPS indicia mail.

c. Remittances containing cash shall not be sent to any USPS facility. (See Chapter 7, paragraph 709.4.h).

d. Remittances mailed between postal clerks, COPES, and PFOS containing cash or paid USPS MOS shall be submitted using registered USPS indicia mail. All cash remittances shall be witnessed. They shall be double wrapped with loose coins taped to paper or cardboard. The inner envelope shall be marked with the amount of cash enclosed and annotated with "OPEN IN THE PRESENCE OF A WITNESS."

3. Witnesses. When actions pertaining to postage stock and meter accounts require a witness and the postal activity is operated by one clerk, prior arrangements shall be made with a local unit or installation commander to provide such a witness. Under unusual circumstances and only when approved by responsible commanders or their designated representative, the phrase "no witness available" (NWA) may be used instead of a witness' signature. Every effort shall be made to obtain a witness because of the possibility of a clerk's personal liability when there are discrepancies.

4. U.S. Installations. At installations in the United States where USPS operates and where, as an approved exception (see Volume II, Chapter 2), stock is sold by military personnel, these instructions shall be followed unless in conflict with instructions issued by the accountable postmaster.

5. Determining Amount of Initial MPO Credit

a. As a general guide for newly established MPOS, calculate a minimum of \$5 per sponsor when requesting initial fixed credits. The following variables may require larger or smaller amounts and shall be considered in determining the initial credit:

- (1) Transit times between the MPO and the source of supply.
- (2) Availability of a postage meter machine.
- (3) Fluctuations in population served, such as mobile units and temporary duties (TDYs for Army/Air Force) and (TADs for Navy/Marine Corps).
- (4) Facilities and equipment for the protection of the stock.
- (5) At-sea operations.

b. If a meter is not available, a minimum credit of \$2,000 shall be established. This amount shall provide sufficient stocks of various denominations.

6. Christmas Stock

a. Each year during the September-October time frame, USPS announces availability and sale dates of Christmas stamps. COPES shall review PBs for the announcement and, when it appears, shall order Christmas stock.

\_(1) Postal activities ordering direct from the Postmaster, New York, or Postmaster, San Francisco, shall comply with the instructions contained in the PB announcing the Christmas stock.

(2) PFOS shall establish policy regarding the issue of Christmas stock to the MPOS they service.

b. If a fixed credit needs to be increased to accommodate additional Christmas stock, submit the request to the source of supply through the responsible commander. This shall be accomplished as soon as the PB announcement is received. Procedures outlined in paragraphs 502.3.c and 502.4.c, apply when increasing and decreasing fixed credits for Christmas sales. The credit shall be decreased to the normal stock level before 31 January.

7. Accountable Postmaster Addresses. Addresses to be used when contacting accountable postmasters for transactions pertaining to fixed and flexible credits are provided in tables 5-1 and 5-2, respectively.

8. Acceptance of Personal Checks. When authorized by the postal commander, (See Chapter 9, paragraph 910) postal clerks may accept personal checks for the purchase of all postal services except COD's and Money Orders.

a. Checks will be accepted only for the exact amount of purchase. Change will not be given.

b. Checks must be made payable to the accountable postmaster.

c. Clerks are responsible to ensure the following information is recorded on each check and may be held pecuniarily liable for the value of the check should they fail to do so.

(1) Name (Of Sponsor).

(2) Rank (Of Sponsor).

(3) SSN (Of Sponsor).

(4) Organization (Of Sponsor).

(5) Mailing Address of Writer/Sponsor.

(6) Duty Phone (Of Sponsor).

(7) Home Phone (Of Sponsor).

d. Personal Check Acceptance Procedures: Prior to accepting parcels/selling postage, the postal clerk (PC) shall ask the patron if he/she will be paying by check. If the purchase is to be made by check, the clerk will then ask the patron for his/her identification card (ID). The PC will then check the social security number (SSN) on the card against the AAFES (Army & Air Force Exchange) or NEX (Navy Exchange) returned check list. If the individual's SSN is not listed, the clerk may accept the individual's personal check. A government ID shall be required as a means of identification. When authorized personnel are not issued official ID's, a U.S. passport may be used for identification. The passport number will be entered on the reverse of the check when used. Only one form of identification is required. The postal clerk accepting checks will endorse the reverse of the check:

(1) For deposit only to the account of the serving postmaster (Postmaster New York or Postmaster San Francisco).

(2) The account number of the accountable postmaster.

(3) Affix the all purpose dating stamp.

(4) Affix his/her initials near the APDS impression.

e. Submission/Accounting for Personal Checks:

(1) At the conclusion of the business day, the postal clerk will transfer all checks accepted to the COPE. Clerks will use accepted personal checks to account for postage and postage meter sales. If accepted checks exceed the amount required for meter sales, the clerk will list the excess checks on PS Form 17 to requisition postage stock from the COPE.

(2) The COPE will prepare a business tape listing (adding machine or calculator) of all accepted personal checks and the U.S. Treasury or Military Banking Facility (MBF) check. An impression of the APDS and COPE's initials must be affixed at the top of this tape.

(3) COPE's serviced by the Postmaster, New York, shall use accepted personal checks to account (to the maximum extent) for postage meter sales. These checks will be included in the daily postage meter remittance. Should the total dollar amount of accepted personal checks exceed the total of the meter remittance, the COPE shall retain only that amount which exceeds the meter remittance and submit these checks with the next day's meter remittance. The following items will be submitted via registered mail:

(a) USPS Form 3602-PO.

(b) Business tape.

(c) Accepted personal checks.

(d) U.S. Treasury/MBF checks.

(e) Accepted Travelers checks.

NOTE : MPO's participating in Direct Deposit Program shall only remit a copy of the Bank Deposit Slip and PS Form 3602-PO to Control Desk, General Accounting Office, Room 3110, New York, NY 10199-9511.

(4) COPE's serviced by the Postmaster, San Francisco shall forward the following items to Bank of America, Attn: Military Postal Accounts, P.O. Box 702, San Francisco, Ca 94202 accompanied by a Bank of America deposit slip:

(a) Accepted personal checks.

(b) Accepted Travelers checks.

(c) U.S. Treasury/MBF check.

(d) Business tape.

NOTE : The total value of (a), (b), and (c) above, shall be included in the amount reflected in AIC 752 (Cash-Remitted) on PS Form 1412-B.

501.9. ACCEPTANCE OF TRAVELERS CHECKS : Travelers Checks issued by well-known established American firms or banks may be accepted in payment for all postal charges and services as long as sufficient funds are available to provide change to the customer. If funds are not available, advise the customer to cash it at an Open Mess, military exchange, or MBF, or to return at a later time when funds would be available.

A. The following procedures will apply to the acceptance of travelers checks:

(1) The value of the travelers check may not be more than twice the amount of purchase. For example do not accept a \$50.00 travelers check unless the purchase is at least \$25.00.

(2) Accepting PCs will ensure that:

(a) The customer is authorized MPO services

(b) All travelers checks are made payable to "Disbursing Officer U.S. Postal Service". SECOND PARTY TRAVELERS CHECKS SHALL NOT BE ACCEPTED.

(c) The customer's I.D. card number or, for authorized personnel without I.D. cards, the U.S. Passport number, is entered on the reverse of the check.

(d) The reverse of the check is endorsed "For deposit to Disbursing Officer U.S. Postal Service". PCs shall affix the impression of the APDS and initial next to it.

(3) PCs may be held pecuniarily liable for wrongful payment of travelers checks. If the clerk suspects the check should not be accepted, he or she may refuse to cash it and the decision may not be overruled.

B. Process travelers checks as follows:

(1) PCs at the end of the business day will:

(a) Use accepted travelers checks to the maximum extent possible to account for money order sales.

(b) Use any remaining travelers checks to account for meter sales or to requisition postage stock from the COPE.

(2) COPES will:

(a) Consolidate all travelers checks from PCs and apply them to the maximum extent possible toward the daily money order remittance to the M.O.D.

(b) List the travelers checks by number on PS Form 6019, Section II (See figure 7-4). If the total dollar amount for travelers checks is less than the amount of remittance, use the remaining cash balance to

obtain a treasury or MBF check and list it along with the travelers checks in Section II of the PS Form 6019.

502. FIXED CREDITS

1. Administration

a. Fixed credits shall be administered in accordance with USPS directives as augmented by this chapter and instructions by the responsible commander.

b. Retention of fixed credits in excess of \$1,000 by window clerks shall be authorized in writing by the responsible commander.

c. When conditions do not allow the COPE to properly protect postal effects, such as shipboard operations, the responsible commander may designate in writing a reserve custodian. In such cases, the COPE shall prepare PS Form 3369 "Consigned Credit Receipt," in duplicate to reflect the amount of fixed credit to be transferred to the reserve custodian. The amount of credit to be retained by the COPE shall be determined by the responsible commander based on stock required to conduct day-to-day operations. The reserve custodian shall sign both copies of the PS Form 3369, retain a copy, and return the original to the COPE as a receipt. When this procedure is necessary, the portion of the account retained by the COPE shall be considered as a working fixed credit as prescribed in paragraph 502.5.a.(5). However, a separate PS Form 3369 is not required. Audits shall be performed at the same interval as window clerk fixed credit accounts (see Chapter 12).

d. When a COPE or clerk is relieved of an account, the full amount of fixed credit shall be produced in stock, funds, evidence of requisitions in transit, or receipts for funds and stock extended. The account shall be audited and any overage shall be collected and remitted by the PFO or COPE, as appropriate, to the source of supply and restitution or provision for restitution of shortages shall be made at the time of audit.

e. Clerks shall be temporarily relieved of their accounts because of a projected absence for a period of more than 5 consecutive workdays but less than 31 total consecutive days and they shall be audited. Any overage within tolerance limits shall be retained by the COPE and reissued to the clerk upon return. Any shortage requires restitution at the time of audit. If immediate restitution is not made, see Chapter 14, paragraph 1404.

f. Temporary absences of the COPE shall be handled as outlined in Chapter 4, paragraph 403.3.

2. General Guidelines for Preparation of Requisitions and Replenishing Stock

a. Requisitions shall be prepared on PS Form 17 and shall be numbered in sequence beginning with number 1 each new fiscal year, (for example, 1-88). Naval activities shall include their office identification number in addition to the MPO number at the top of the PS Form 17. Requisitions from ships also shall show the ship's name.

b. Replenishment of stock from other than primary source of supply is not allowed except in an emergency or by deployed Navy ships.

c. Fixed credits maintained at post office units shall be replenished from the stock at the parent post office or the servicing PFO, as appropriate.

d. When remittance is by check or MO, annotate the PS Form 17 with the serial number and the value. If cash is remitted, list the denominations and amounts.

e. Prepare requisitions in the presence of a witness who shall be required to sign the MPO copy of the PS Form 17. Open returned requisitions and verify contents in the presence of a witness. When the requisition is for establishment or increase of a fixed credit, resolve any discrepancies before signing the enclosed PS Form 3369.

f. If an error in the returned requisition is found, it shall be brought to the attention of the source of supply immediately and resolved. If a shortage exists that cannot be adjusted immediately through coordination with the source of supply, an investigation shall be conducted as outlined in Chapter 14, paragraph 1408.

g. If the requisition is not received within the normal transit time, notify the postmaster by message through the appropriate JMPA and request status. If the postmaster acknowledges that the requisition has been shipped, but it is not received after a reasonable transit time, notify the appropriate JMPA and request tracer actions be initiated.

h. PBs periodically announce new stock, indicating an effective date of sale. When requisitioning these items, use a separate PS Form 17 for stock of each different effective date.

### 3. Procedures Between the Custodian of Postal Effects and an Accountable Postmaster

a. Obtaining an Initial Fixed Credit. After the MPO is established and the amount of fixed credit is determined by the responsible commander, the designated COPE shall obtain the initial fixed credit. The following actions shall be completed:

(1) Submit two copies of PSForm 3369 (figure 5-1), indicating the amount of fixed credit requests, two copies of PS Form 17 (figure 5-2) in the amount shown on the PS Form 3369, and one copy of DD Form 2257 (see Chapter 4, paragraph 403.1.b.(3), to the source of accountable paper.

(2) After acknowledging the fixed credit and filling the stock request, the accountable postmaster shall sign and forward the PS Form 3369 to the COPE. The COPE shall verify that the correct stock is received, sign the PS Form 3369, return the original to the accountable postmaster, and file the duplicate in the MPO file. Resolve any discrepancies before signing the PS Form 3369.

(3) If the initial fixed credit already has been pre-positioned at the MPO, the COPE and a witness shall audit the stock. Upon verification that the credit is correct, the COPE shall prepare three copies of PS Form 3369, indicating the amount of fixed credit received, sign the forms and submit the original and one copy with a copy of the audit to the accountable postmaster. Resolve discrepancies before signing the PS Form 3369. Retain a suspense copy of the PS Form 3369 until a signed copy is returned. When the signed copy is received, file it in the MPO files and destroy the suspense copy. Note: PS Forms 3369 shall be submitted by the COPE to the accountable postmaster not later than the activation date of the MPO.

(4) When an established fixed credit is transferred to a new COPE, the procedure outlined in paragraph 502.3.a. (3) shall be followed. The outgoing and incoming COPES shall perform the audit. If a reserve custodian maintains a portion of the stock, he or she shall participate in the audit.

b. Replenishing Stock. See paragraph 502.2 for general guidance for submitting requisitions. Prepare requisitions in quadruplicate and send the original and one copy and remittance to the address shown in rule 2, table 5-1. Forward one copy to the address outlined in rule 1, table 5-1, and retain the other copy of PS Form 17 in MPO files until the copy, accompanied by the filled requisition is returned. Verify that the returned stock is correct and file the returned PS Form 17 in MPO files. Destroy the suspense copy.

(1) Requisitions from MPOs served directly by postmasters shall be submitted as follows:

(a) The check or MO shall be made payable to the postmaster and shall be forwarded with the requisition (rule 2, table 5-1).

(b) When stock is being returned for redemption and exchange, prepare four copies of PS Form 17 (figure 5-3). Forward two copies with the returned stock by registered USPS indicia mail to the address listed in rule 3, table 5-1. One copy of PS Form 17 covering the returned stock shall be forwarded by first-class USPS indicia mail to the address listed in rule 1, table 5-1. Retain one copy in the MPO file pending receipt of the exchange stock. Requisitions for replenishment of stock shall be submitted separately from requisitions for redemption and exchange.

(c) When stock is returned for any reason, it shall be submitted as shown in paragraph 502.3.b.(1) (b).

(d) International reply coupons (IRCs) shall be listed on PS Form 17 (Return Stamps Column) and forwarded by registered USPS indicia mail to the Accountable Paper Depository (rule 3, table 5-2). Submit reply coupons separately from other requisitions. Also, submit U.S.-issued IRCS separately from foreign-issued IRCS. (Refer to Part 392, IMM, (Reference (i)) to determine the current value of IRCS.)

(2) COPES shall order stock before cash on hand exceeds 25 percent of their-fixed credit.



c. Increasing or Decreasing Fixed Credits

(1) Requests for increases or decreases shall be submitted to the accountable postmaster (rule 1, table 5-1). Increases and decreases shall be in multiples of \$500.

(2) Requests for increases shall be in letter format stating the amount desired, the new fixed credit resulting therefrom, and the reason for the request. Letters requesting increases shall reflect the date additional stock is needed. Required enclosures to the letter include:

(a) PS Form 17, in duplicate, listing the quantities and denominations of stock desired to make up the increase of credit.

(b) PS Form 3369, in duplicate, reflecting the amount of the new fixed credit. The accountable postmaster shall sign and return both copies with the increase. Upon receipt of the increase, the COPE shall verify that it is correct, sign the PS Form 3369, return the original to the accountable postmaster, and file the duplicate in the MPO file. Resolve any discrepancies before signing the PS Form 3369.

(3) Retain a copy of PS Form 17 and PS Form 3369 described above in MPO files as suspense copies pending receipt of the increase.

(4) Requests for decreases shall be in letter format to the accountable postmaster (rule 1, table 5-1). Letters shall state the amount of reduction requested and the new fixed credit resulting therefrom. Required enclosures to the letter shall include:

(a) Two signed copies of PS Form 3369 indicating the new credit to the accountable postmaster.

(b) Undesired portion of fixed credit. Make checks payable to Postmaster, New York (rule 1, table 5-1). When stock has to be returned to accomplish a reduction in fixed credit, attach one copy of PS Form 17 covering the returned stock. Unless circumstances require otherwise, accountable paper shall not be remitted to reduce a fixed credit.

NOTE : When stock is being returned for reduction in fixed credit, prepare three copies of PS Form 17, listing the stock returned on the back of the form. Forward one copy of the PS Form 17 with the returned stock by registered mail to the address listed in rule 3, table 5-1. One copy of the PS Form 17 will be attached to the request for reduction in fixed credit (see paragraph 502.c. (3)). Retain one copy of the PS Form 17 and registry receipt in the MPO file pending receipt of PS Form 3369 for the new fixed credit from the accountable postmaster.

4. Procedures Between a COPE and a PFO

Establishing a Fixed Credit. When establishing a fixed credit, follow the procedures prescribed in paragraph 502.2.b. through 502.3.b except that correspondence shall be exchanged between the COPE and the serving PFO.

b. Replenishment of Stock. Procedures for replenishing stock are outlined in paragraphs 502.2.b and 502.3.b except that all exchanges of correspondence shall be between the PFO and COPE. The PFO shall provide instructions on how to return and exchange stock and how to process IRCs.

c. Increasing and Decreasing Fixed Credits

(1) COPES shall request increases and decreases from their serving PFOs. The requirement to increase or decrease in multiples of \$500 does not apply.

(2) Procedures for increasing and decreasing fixed credits are outlined in paragraphs 502.3.c. (2) and 502.3.c.(3), respectively, except that all correspondence shall be between the COPE and serving PFO. The PFO shall provide instructions on how to return stock.

d. Local Purchase of Supplies and Repair of Equipment. See paragraph 503.17.

5. Procedures Between PCs and COPES

a. Establishing Fixed Credits

(1) COPES shall extend initial fixed credits to selected personnel designated as PCs by:

(a) Preparing two copies of PS Form 3369 in the amount of the fixed credit and stamping them with the APDS. A change of COPES does not require reaccomplishment of PS Forms 3369 for credits extended to clerks.

(b) Preparing two copies of PS Form 17, indicating amounts and denominations of stock issued.

(c) Extending fixed credit in the amount shown on the PS Form 3369.

(d) Obtaining the signature of the clerk on appropriate forms.

(e) preparing an account folder for each extended fixed credit. These folders shall be used to file all documentation pertaining to the account.

(2) Postal clerks physically shall count all stamps, stamped papers, and funds before receipting for fixed credits on PS Form 3369.

(3) COPES shall keep the original PS Form 3369 and PS Form 17 and the postal clerk shall retain the duplicates.

(4) Although the COPE shall administer all fixed credits, it is permissible to issue another person a fixed credit to be used to replenish the stock of postal-clerks conducting window business. This credit shall be referred to as a "filler stock."- This fixed credit may not be used for daily window sales. If it is necessary for the person with the filler stock to conduct window business, the COPE shall issue a separate account for that purpose.

(5) COPEs may issue themselves a separate fixed credit when necessary to conduct window business. This account shall be handled as any other extended fixed credit and an account folder shall be maintained, however, it need only be audited when the master COPE account is audited. (See Chapter 12) .

b. Replenishment of Stock

(1) At the close of any business day when cash on hand (including IRCs) exceeds 25 percent of the extended credit, clerks shall replenish from the COPE or filler stock by submitting a requisition. IRCS shall be listed in the "Returned Stamps" portion of a separate PS Form 17. However, stock shall be requisitioned at least once a week, even though cash on hand does not exceed 25 percent of the total credit. EXCEPTION: Clerks that do not use their account during a given week (that is, backup clerk, leave clerk, leave, TAD, TDY, on quarters, or because of other reasons) need not requisition during that week.

(2) An alternate method of replenishment that maybe used to reduce workload is for primary window clerks to be issued fixed credits in an amount up to one month's expected sales. Any extended credit in excess of \$1,000 shall be approved by the responsible commander as required by paragraph 502.1.b. At the close of business each day, the clerk shall prepare PS Form 1096, "Cash Receipt," in duplicate and submit all funds that exceed the authorized \$50 change fund (see paragraph 502.5.b. (3)). For example, at the end of a business day a clerk has \$396.80 in cash; the clerk shall prepare a PS Form 1096 for \$346.80 or more and retain the balance as a change fund. The COPE or filler stock custodian shall receipt for the funds, return the original PS Form 1096 to the clerk, and retain the duplicate. Once each week, the clerk shall total the PS Forms 1096, add funds from that day's sales, and submit a PS Form 17 for replenishment stock. COPEs or filler stock custodians may designate specific days for replenishment of stock, if they desire to do so.

(3) Clerks are authorized to retain up to \$50 of their fixed credit in cash as a change fund. When sources of change are not readily available, window clerks may be authorized to retain a \$100.00 change fund. Change funds are not included as a portion of the 25 percent restriction.

(4) When practical, requisitions shall be hand-carried by the clerk remitting the requisition to the COPE. When requisitions are hand-delivered, they shall be completed in duplicate. One copy shall be retained by the COPE and the other by the clerk. A witness is not required to sign the PS Form 17 if the requisition is filled when the receiving clerk is physically present.

(5) When mailing to the COPE, the inner envelope containing the requisition shall be endorsed in the lower left corner, "To Be Opened By The COPE In The Presence Of A Witness."

(6) Remittance for requisitions shall be itemized on the right side of the PS Form 17 under "Return of Stamps." All entries shall be verified by a witness (figure 5-2), and the requisition dispatched by USPS registered indicia mail.

c. Increasing and Decreasing Fixed Credits. Fixed credits extended by a COPE shall be increased or decreased as necessary.

(1) Increases. When an increase is necessary, the clerk shall prepare two copies of PS Form 17 indicating amounts and denominations of stock needed to increase the credit. The COPE shall prepare a new PS Form 3369 in duplicate, showing the total amount of the new fixed credit; extend the increase; and obtain the signature of the clerk on appropriate forms. After verifying that the issued stock is correct, the clerk shall sign the PS Form 17 and PS Form 3369. The originals shall be retained by the COPE and the duplicates, along with the original PS Form 3369 indicating the previous extended credit, shall be given to the clerk.

(2) Decreases. When a decrease is necessary, the clerk shall prepare a new PS Form 3369 in duplicate, showing the total amount of the new fixed credit. Submit them along with cash, check, or MO in the amount of the decrease to the COPE. The COPE shall verify that the amount is correct, sign for the funds on PS Form 1096, sign the PS Forms 3369, retain the original, and return the duplicate to the clerk. The COPE also shall return the PS Form 3369 that was on file for the clerk's previous credit.

6. Receiving and Filling Requisitions by PFOS and COPES

a. Stamp requisitions received by a PFO or COPE shall be opened in the presence of a witness and the contents verified to determine that the requisition and remittance are equal. After requisition is verified and filled, the PFO or COPE shall make appropriate entries on PS Form 3295, "Daily Record of Stamps, Stamped Paper, and Nonpostal Stamps On Hand" (figure 5-4). The retained copy of PS Form 17 shall be signed and dated by the PFO or COPE and a witness, and if the filled requisition is mailed, the registered number used shall be entered in appropriate sections. The duplicate copy shall be signed, dated, and the registered number shall be entered by the PFO or COPE and enclosed in the requisition. Stock shall be securely packed and transmitted by USPS official registered mail. The registry receipt shall be attached to the original of the PS Form 17 as proof of dispatch and retained on file. When PS Form 3877, "Firm Mailing Book," is used, the registered number under which the requisition is dispatched shall be reflected in the appropriate space in the top portion of PS Form 17. PS Forms 3295 shall be maintained on all stock used to fill requisitions and bulk sales. PS Forms 3295 need not be used at one-person locations.

b. If an error in the remittance is made, it shall be brought to the attention of the originator of the requisition immediately and resolved.

c. Stock received from accountable postmasters shall be opened by the PFO or COPE in the presence of a witness. They shall verify that stock received agrees with the items requisitioned and those listed as shipped on duplicate PS Form 17. Enter registry numbers under which the stock was received and the date of receipt on the duplicate PS Form 17. If no discrepancies are noted, file the duplicate copy and destroy the triplicate copy. If a shortage in the shipment occurs, notify the accountable postmaster and the responsible commander. Notify the accountable postmaster by letter stating the circumstances and requesting replacement of short items. The letter shall be endorsed by the person who witnessed the opening of the requisition and include a copy of the PS Form 17 as an enclosure. The wrapper or shipping case in which the requisition was received shall be retained until the matter is adjusted. Record actual

amount of stock received on PS Form 3295. If a later shortage is discovered (such as a book of stamps missing upon opening a sealed container), submit a letter as outlined above. Also, postmark the container with the APDS and return it as an enclosure to the letter. Do not adjust the PS Form 3295. A copy of the letter relating to the shortage shall satisfy audit purposes.

d. COPES receiving requisitions from PFOS and clerks receiving requisitions from COPES by mail shall follow procedures in paragraph 502.6.c, except message notification shall be to the responsible commander; however, clerks transacting window service need not maintain PS Form 3295. When requisitions are hand carried, procedures outlined in paragraph 502.5.b. (4) apply. The provisions of paragraph 502.6.b shall be followed if there has been an error in stock received.

503. ADMINISTERING FLEXIBLE CREDITS. Flexible credits shall be administered by postmasters and copes under the same general guidelines established for fixed credits. The primary differences are in methods of establishment and in requisitioning procedures. The flexible accounting system provides more latitude in stamp requisitioning as funds are not submitted with requisitions to obtain stamps and stamped paper. The PFOS and COPES accountability for stamps and stamped paper under this system is reduced, based on stamp sales remittances, and increased when stamp requisitions are received. Therefore, the term "FLEXIBLE" rather than "FIXED" is used to identify this system of accountability.

1. Establishment

a. After the postal activity is approved for establishment, the PFO or COPE shall submit the following documentation to the accountable postmaster (rule 1, table 5-2):

(1) Three copies of PS Form 17, in the amount of the flexible credit approved by the responsible commander.

(2) One copy of DD Form 2257, designating the accountable PFO or COPE (see Chapter 4, paragraph 403.1.b.(3)).

(3) A letter advising whether action has been taken to obtain a postage meter and whether support shall be provided to a DoD contractor postage meter (see Chapter 6, paragraph 619). In addition, include the proposed date on which operations will begin.

b. Upon receipt of information and documentation prescribed in paragraph 503.1, the serving postmaster shall forward the following for administering the flexible account:

(1) Stock in the requested amount of flexible credit.

(2) Two copies of validated PS Form 3369, "Consigned Credit Receipt" (Figure 5-5), to be signed by the designated PFO or COPE.

(3) PS Form 1412B, "Daily Financial Report," for use in recording transactions relative to the flexible account.

(4) The flexible account code to be used when conducting transactions with the serving postmaster.

(5) PS Form 3602-P0, "Postage Collected Through Post Office Meter No.," if a postage meter has been authorized for use by the MPO (see Chapter 6 paragraph 601.2.).

(6) If the MPO shall service a DoD contractor postage meter (see Chapter 6 paragraph 619).

(a) PSForm 3602A, "Daily Record of Meter Registry Reading," for use by DoD contractors to record daily postage meter use and the COPE to record meter setting.

(b) PSForm 3603, "Receipt For Postage Meter Setting," to receipt for funds collected from DoD contractors for "customer meters."

c. Upon receiving the initial flexible credit and after verification, the custodian shall complete PS Form 1412B in duplicate (figure 5-6) and submit the original and a signed copy of PS Form 3369 to the serving postmaster (rule 1, table 5-2). Entries on PS Form 1412B shall be typewritten, if possible.

2. Increasing or Decreasing Flexible Accounts. Flexible credits are increased or decreased automatically through receipt of requisitions and submission of remittance and no further action is required. However, when a significant increase or decrease is required, submit a letter of justification to the postmaster (rule 1, table 5-2). Normally, this would be caused by a significant increase or decrease in the number of customers served or a significant change in registered mail transit times.

a. Request for increase shall be in letter form, stating the amount desired and the reason for the request. In addition, letters requesting increases shall reflect the date additional stock is needed. Enclose three copies of PS Form 17, listing the quantities and denominations of stock desired to make up the increase of credit. NOTE: The postmaster may request that a new PS Form 3369 be prepared upon receipt of the increase.

b. Decreasing the flexible credit may be accomplished by submitting remittances and not ordering replacement stock or ordering lesser amounts of replacement stock. If it is necessary for stock to be redeemed to effect the decrease, see paragraph 503.11 for correct procedures. However, only full sheets of stamps and boxes of books or envelopes may be returned to the Accountable Paper Depository. Every effort shall be made to sell excess stock to other MPOs before returning such items.

### 3. Change of PFO or COPE

a. Before assuming duties as a PFO or COPE, the outgoing PFO or COPE, if available, and the incoming PFO or COPE shall conduct a joint audit of all stock and funds accountable as outlined in Chapter 12. Reaccomplishing PS Forms 3369 for credits -extended to clerks is not required.

b. Upon completion of the audit, the incoming PFO or COPE shall prepare DD Form 2257, PS Form 3369, and PS Form 1590. Forward one copy of DD Form 2257 and two copies of PS Form 3369 to the serving postmaster with a copy of the completed audit and PS Form 1412B, which is the last report for the outgoing PFO or COPE (rule 1, table 5-2). NOTE: The amount indicated on the PS Form 3369 as "Stamp Credit Amount" shall be shown on the first PS Form 1412B submitted by the new PFO or COPE as the "Opening Balance," Code 840.

c. Temporary absences of the PFO or COPE shall be handled as outlined in Chapter 4, paragraph 403.3.b.

#### 4. Numbering Sequence

a. PS Forms 17 and PS Forms 1412B are numbered consecutively, beginning with number 1 each new fiscal year. This number is placed in the upper right corner of the PS Form 1412B and in the finance block of PS Form 17.

b. Bank deposit slips will not necessarily be numbered consecutively. They shall reflect the same number as the PS Form 1412B that identifies the funds being remitted. The number is placed in the upper right corner of the deposit slip.

5. Account Identifier Code (AICs). These codes (see figure 5-7) identify the funds entered on PS Form 1412B. All financial entries on PS Form 1412B shall be identified with an AIC.

6. Bank Deposit Slips. These slips are coded individually to denote each flexible account. The bank deposit slips are obtained by submitting a letter to the serving postmaster (rule 1, table 5-2). A code is assigned to each PFO or COPE account and shall be indicated in the letter of request. The code is not interchangeable with other PFO or COPE accounts. Only preprinted bank deposit slips may be used to submit remittances.

#### 7. Bank Deposits

a. Prepare bank deposit slips in quadruplicate in the format shown in figure 5-8 and PS Form 1412B in duplicate at least every second workday. Entries on PS Form 1412B shall be typewritten if possible. COPES located where there is no disbursing officer or check-issuing facility, or when authorized by the serving postmaster may submit remittances once a week. Enclose the original and one copy of the the bank deposit slip with the remittance (rule 2, table 5-2).

b. One copy of the deposit slip with the original copy of PS Form 1412B shall be forwarded to the serving postmaster (rule 1, table 5-2).

c. One copy of the deposit slip with the duplicate copy of PS Form 1412B shall be retained in the PFO or COPE files. This copy of the deposit slip shall reflect the check or MO number and the date forwarded.

8. Carryover of Funds. COPES located where there is no disbursing officer or check-issuing facility, "but situated near an agent officer, shall make arrangements to convert cash into U.S. Treasury checks in the amount that the agent officer is permitted to issue. The remaining amount shall be carried forward as "Cash Retained Today," Code 753, and identified on the next report as "Cash Retained Previous Report," Code 353, on PS Form 1412B.

## 9. Requisitions

a. To obtain stock, prepare PS Form 17 in quadruplicate. See paragraph 502.2 for general guidelines for preparation of PS Form 17. Refer to table 5-2 for the correct addresses of offices listed below. Submit regular requisitions once each calendar month.

(1) PFOS and COPES served by Postmaster, New York, shall forward the original and one copy to the Accountable Paper Depository and one copy to the Military Auditing Unit.

(2) PFOS and COPES served by Postmaster, San Francisco, shall forward the original and two copies of the form to the Accountable Paper Depository.

b. Retain a copy of the PS Form 17 in the PFO or COPE files, pending receipt of the filled requisition.

c. Do not submit funds for stock requisitioned.

d. Upon receipt of the filled requisition, verify the quantity of stock received and record the value of the stamps and stamped paper in AIC 841 on PS Form 1412B. Forward the original of PS Form 1412B to the address shown in rule 1, table 5-2, and retain the duplicate in the PFO or COPE files. If a subsequent shortage is discovered (such as a book of stamps missing upon opening a sealed container), follow procedures outlined in paragraph 502.6.c. Do not make an adjustment on PS Form 1412B as the letter explaining the discrepancy shall also suffice for audit purposes.

e. PFOS and COPES may request automatic distribution of commemorative stamps by submitting a letter to the appropriate Accountable Paper Depository, providing information as to the quantity desired on a recurring basis. PFOS and COPES alternatively may order specific commemorative stamps by submitting a separate PS Form 17. The PFO or COPE shall enter the value of commemorative stamps received in AIC 841 on PS Form 1412B.

10. Discount Envelopes. The total discount amount for stamped envelopes sold (see paragraph 505.2) is reflected on PS Form 1412B in AIC 846. A copy of PS Form 3220 shall accompany the PS Form 1412B to support this entry.

11. Redeemed or Damaged Stock. Return redeemed or damaged stock to the serving postmaster Accountable Paper Depository by preparing PS Form 17 in quadruplicate and forwarding the redeemed or damaged stock with original and one copy of PS Form 17 by registered USPS indicia mail. Place the PS Forms 17 in an envelope and attach to the outside of the package containing the returned stock. Forward one copy of the PS Form 17 to the serving postmaster at the address outlined in rule 1, table 5-2, and retain one copy in PFO or COPE files. Each stamp item shall be listed individually, by value, in the "Return Stamps" section of the form. The value of the stamp items is entered on PS Form 1412B in AIC 848. Should replacement stamps or stamped paper be desired, follow requisitioning procedures outlined in paragraph 503.9.



12. International Reply Coupons. Upon receipt of IRCs, enter the value in the "Received" column of a PS Form 3295 and line 5 of PS Form 3958, "Main Stock Transaction Record." Return IRCs to the serving postmaster Accountable Paper Depository by preparing PS Form 17 in quadruplicate, and forwarding the IRCS with original and one copy of PS Form 17 by registered USPS indicia mail. Place the PS Forms 17 and the coupons in an envelope. Endorse the outside of the envelope "IRC" in the lower left corner. If the quantity of IRCS is too large to fit in an envelope, place only the PS Form 17 in the envelope and , attach it to the outside of the package containing the IRCs. Forward one copy of the PS Form 17 with the PS Form 1412B that reflects the return to the serving postmaster at the address found in rule 1, table 5-2. Retain one copy in the PFO or COPE files. List the IRCS by value, in the "Returned Stamps" portion of PS Form 17. Submit U.S. issued IRC's on a PS Form 17 separate from that used for foreign issued IRCS to the serving postmaster of the address outlined in rule 4, table 5-2. Annotate the PS Form 17, "Flexible Credit - Do Not Return Stock." The amount of IRCS sent is entered in the "Issued" column of PS Form 3295, line 9 of PS Form 3958, and AIC 848 of PS Form 1412B.

13. Shortages. When a shortage in an account occurs and the responsible person does not make immediate restitution, refer to Chapter 14, paragraph 1403 and prepare PS Form 1412B as shown in figure 5-9. Add the amount of the shortage to the amount of postage sales, AIC 852, if any, and enter the total in AIC 090. The shortage shall also be reflected in the "DISBURSEMENTS" section of the form by entering in the "AIC" column, in blank spaces provided, the code "761" and the words "Flexible Acct Shortage" with the name and grade of the person responsible for the shortage. If the shortage is caused by acceptance of counterfeit currency, see Chapter 14 for reimbursement procedures. If funds from postage sales are not being submitted, enter only the amount of the shortage in AICS 090 and 852.

14. Overages

a. Overages discovered during audits of flexible accounts of PFOS or COPEs and those that are over allowable tolerance limits for fixed credit accounts of COPEs, or PCs extended by a PFO or COPE flexible account (see Chapter 12, paragraph 1203.7) are to be reported on PS Form 1412B as AIC 063 (see figure 5-10). Such overages are to be submitted on the next PS Form 1412B after the overage has been detected. In addition, a letter reflecting the name and grade of each person from whom an overage was collected and the amount of each shall accompany PS Form 1412B.

b. If an overage is submitted in error, a letter requesting refund may be submitted to the address shown in rule 1, table 5-2. The letter shall provide justification for the request. It shall relate the request for refund to a previous overage. Do not enter the amount requested in AIC 750, as the reimbursement will be a separate action.

c. Funds submitted as restitution for previous shortages shall be identified on PS Form 1412B as AIC 356 (figure 5-10). Enclose a letter reflecting the name and grade of each person for whom the restitution is to be credited.

15. Postage Meter. General guidelines pertaining to procurement and use of postage meters are contained in Chapter 6. The major difference is in submission of funds when the COPE has a flexible credit and is served through the postmaster. In that instance the following applies:

a. The amount of funds derived from the use of USPS postage meters operated at MPOS are submitted at the same interval and as a part of the remittance of stock funds. However, the original PS Form 3602-PO and any unused meter tapes with original of PS Form 3533, when applicable, are submitted to the postmaster as part of the documentation submitted with the PS Form 1412B. On the PS Form 1412B, enter the total amount of the unused or spoiled tapes or the amount claimed when a letter is submitted because tapes are not available (see Chapter 6 paragraph 606.1) in AIC 536. PS Forms 3533 completed by customers for refunds, including those for official mail and DoD contractor meters, are not reported on PS Forms 1412B.

b. The total amount of postage meter funds on hand when PS Form 1412B is prepared shall be entered in the "RECEIPTS" section of the form (see figure 5-11).

(1) Enter the words "Postage Meters" in the blank space.

(2) Enter the code "110" in the AIC column.

(3) Enter the total amount of all funds derived from the use of postage meters at the MPO.

c. Shortages in postage meter funds are reflected on PS Form 1412B in AIC 761 in the same manner as shortages in the flexible credit, except that the words "Postage Meter Shortage" and the postage meter number are reflected in the blank spaces provided.

16. DoD Contractor Postage Meters. General guidelines for administration of these postage meters are contained in Chapter 6, paragraph 619. However, remittance of funds derived from setting DoD contractor postage meters under the flexible accounting system shall be as follows:

a. Submit the funds derived from setting the DoD contractor postage meter with the next remittance of stamp stock funds.

b. Submit a duplicate copy of the PS Form 3603 to the postmaster as a part of the documentation submitted with PS Form 1412B.

(1) Under the "RECEIPT" section in a blank space, enter "Customer Meter."

(2) Under the "AIC" column, enter the code "111."

(3) Under the "AMOUNT" column, enter the exact amount of funds set on the meter.

(4) Add the amount of the check covering funds entered on the postage meter to the total amount entered on the bank deposit slip.

17. Local Purchase of Supplies and Repair of Equipment. USPS funds generated from the sale of stamp stock may be used for the local purchase of certain supplies and for payment for repairs to postal equipment (see DoD 4525.6-C, paragraph 125 (reference (m) for details). COPES or PFOS authorized by the major commander to expend funds for this purpose shall obtain a paid receipt with the vendor's signature. Accountability shall be maintained as follows: .

a. COPES or PFOS having flexible accounts with a serving postmaster shall report local purchases of supplies and payment for repairs to equipment on the next submission of PS Form 1412B. The original copy of the paid receipt shall accompany the PS Form 1412B. Attach a duplicate copy of the receipt to the file copy of the PS Form 1412B.

(1) Local Supply Purchases. Under the "DISBURSEMENTS" section of PS Form 1412B (in a blank space), enter "Postal Supplies" as the description. Under the "AIC" column, enter "546." The amount column shall reflect the total amount of all paid receipts submitted.

(2) Equipment Repairs. Under the "DISBURSEMENTS" section of PS Form 1412B (in a blank space), enter "Miscellaneous Repair" as the description. Under the "AIC" column, enter "587." The amount column shall reflect the total amount of all paid receipts submitted.

b. COPES with fixed credits extended by a serving PFO shall submit the original and a duplicate copy of the signed paid receipt obtained from the vendor along with the next submission of PS Form 17. The receipt shall be used to document and account for the funds expended and need not cover the entire amount of the requisition. For example, a requisition for \$200 could be accompanied by a \$50 receipt and a \$150 check. A third copy of the paid receipt shall be filed with the MPO copy of the PS Form 17. Upon receipt of the requisition, the PFO shall account for the expended funds following the procedures outlined in paragraph 503.17.a.

c. COPES with fixed credits extended by Postmaster New York may not submit supply/repair receipts direct to New York using PS Form 17. These COPES must submit same to an appropriate PFO who will in-turn submit receipts for credit to New York using PS Form 1412B.

d. COPEs/PFOs submitting vendor receipts to accountable postmasters must retain a record of the Foreign Currency Exchange Rate at the time of payment to the vendor. This does not apply for billing invoices prepared for payment in U.S. dollars.

18. U.S. CUSTOMS COLLECTIONS. General guidelines on collection of U.S. Customs duties are contained in Chapter 9, paragraph 907.9. In addition, COPEs/PFOs with flexible credits shall account for funds derived from the collection of U.S. Customs duties on PS Form 1412B which shall be submitted along with the original PS Form 6019 and Customs Form 3419 to the serving postmaster. Make sure to add the amount of funds collected for U.S. Customs duties to the total amount entered on the bank deposit slip. Fill out PS Form 1412B as follows:

a. Under the "Receipt" section, enter "Custom Collection" in a blank space.

b. Under the "AIC" column, enter the code "054."

c. Under the "Amount" column, enter the exact amount of funds collected for U.S. Customs duties.

#### 504. CARE AND PROTECTION OF STOCK AND FUNDS

1. Stock and funds shall be given the best protection possible against loss or theft. The stock and funds in the possession of each person shall be kept separate from that held by other persons. The person to whom the stock is assigned is the only person allowed access to that stock except personnel conducting audits and inspections as described in Chapter 12. USPS funds may not be used for personal use. Funds from individual fixed credits may not be commingled with any other funds, unless authorized by the major commander (see Chapter 7, paragraph 711.) For purposes of this Manual, stock and postage meter funds are considered as belonging to the same credit.

2. Safes, lockable counter drawers, and cash boxes shall be provided to postal clerks to ensure that stock and funds are secured at all times. No personal property shall be stored in safes or containers used for postage stock. The duplicate keys or copies of combinations of containers and safes used to store funds overnight shall be placed in PS Form 3977, "Duplicate Key Envelope" (figure 5-12). Sealed envelopes are handled as outlined in Chapter 9, paragraph 906.2. Envelopes shall be checked during audits of the COPE and during MPO inspections for evidence of tampering. Only the persons whose names appear on the front of the envelope can receipt for the envelope. Counter drawers shall be locked when not in actual use and funds kept out of reach of customers. Clerks can ensure proper protection of funds and stock by storing them in a safe or vault during their absence from the post office. When a safe or vault is not available to individual postal clerks, comply with procedures in Chapter 9, paragraph 906.1.d. Clerks having custody of funds can be held liable for their loss when these instructions are not complied with.

3. Safe combinations are changed:

a. When the safe is initially received.

b. Because of compromise or possible compromise of combination.

c. When a PFO, COPE, or PC having knowledge of combinations is transferred out of the activity or relieved of credit.

d. Annually.

#### 505. SALE OF STOCK

1. Stock shall be sold for cash, personal check, travelers check, or in exchange for IRCs. When exchanging IRCs for postage refer to part 392, IMM (reference (i)). Stock and meter funds need not be separated during the business day. U.S. Treasury checks may not be cashed using stock and meter funds. Stock may not be sold on credit.

a. NAF activities may use checks drawn on US banking facilities to purchase stamps. Checks from NAF activities will be submitted to the PFO/accountable postmaster as appropriate with other remittances when requisitioning stamp stock.

b. Private associations (boy scouts/girl scouts, and other locally authorized clubs and organizations) may use checks drawn on US banking facilities to purchase stamp stock, if they are authorized to use the MPS and approval to accept checks from that activity is granted by the appropriate MACOM.

2. Sale of stamped envelopes shall be at retail value, except when purchased in multiples of 500 at discount prices. To compute and report "Discount Sales," use PS Form 3220, "Stamped Envelope Sales At Discount" (figure 5-13). Credit for sale of envelopes at discount prices will be adjusted by listing discount sales on PS Form 3220. COPEs with fixed credits shall submit a copy of PS Form 3220 with PS Form 17 for the remittance. The COPE shall retain a copy of PS Form 3220 until credit is received from the source of Supply. COPEs with flexible credits shall follow accounting procedures outlined in paragraph 503.10.

3. Clerks may not act as agents for any person or firm nor shall they be required to handle funds other than for meter, postal MO, or stock accounts. However, MPOS located within the customs territory of the United States including ships afloat, shall handle U.S. Customs funds in compliance with Chapter 9, paragraph 907.9.

4. Clerks shall not affix stamps to an article after acceptance for mailing; mailers must personally affix postage stamps to all mail matter. Postage shall be affixed to mail in accordance with Section 142.12, DMM (reference (i)). When an address label is used on a parcel, the postage will overlap the upper right corner of the label. Customers shall be given as few stamps as necessary to complete the transaction. Stamps on parcels shall be canceled in full view of the mailer by the accepting clerk immediately upon acceptance.

5. MPOS may not handle nonpostal stamps (for example, Migratory Bird Stamps).

6. Stamps issued by foreign postal administrations may not be sold at MPos.

7. Commemorative stamps shall be made available at MPOs. Sale dates are announced in the USPS Postal Bulletin and stamps listed therein may not be placed on sale before that date.

8. International Reply Coupons may be stocked and sold at MPOS where demands exist.

#### 506. DAMAGED STOCK

1. Damaged stock may be redeemed by customers in accordance with Part 147, DMM (reference (i)).

2. Return damaged stamp stock to the source from which received. MPOS with fixed credits issued by a postmaster shall follow procedures in paragraph 502.3.b(1).(b). Those MPOs maintaining flexible credits issued by postmasters . . . shall comply with paragraph 503.11.

507. CASHING POSTAL MOS. Postal MOS may be cashed from fixed or flexible credit funds if volume of cash permits. Identification shall be required in accordance with Chapter 7, paragraph 708.1. Exchange paid MOS for cash from the MO account when funds are available, if the major command has not authorized commingling of funds under provisions of Chapter 7, paragraph 711.

RULE	If you are:	Then submit paperwork to:
1	Establishing, increasing, or decreasing an account or changing the COPE	Military Auditing Unit General Accounting Office Room 3110 <b>New York, NY 10199-9511</b>
2	Submitting a <b>requisition</b> (See Notes 1 and 2)	Control Desk General Accounting Office Room 3110 <b>New York, NY 10199-9511</b>
3	Returning stock or IRCS {See <b>Note 1</b> }	Postmaster Accountable Paper Depository Room 3129 <b>New York, NY 10199-9615</b>

**NOTE 1** - Submit one copy of **all** transactions to the address listed in Rule 1.

NOTE 2 - Submit all requisitions containing Treasury, Travelers, **MBF** checks or 'No **Fee**' **MOS**by Registered USPS **indicia** mail.

Table 5-1. postmaster, New York, Addresses To Be  
Used For Fixed Credits (Not Served by a PFO).

RULE	If you <b>are</b> :	And <b>are served</b> by:	Then submit <b>paperwork</b> to:
1	<b>Establishing</b> , increasing, or decreasing an account; changing the <b>PFO/COPE</b> ; or submitting <b>PS Form 1412B</b>	New York	<b>Military</b> Auditing Unit <b>General Accounting Office</b> Room 3110 New York, NY 10199-9531
		San Francisco	General Accounting Office <b>P.O. Box 886000</b> San Francisco, CA 94188-6000
2	Submitting a remittance	New York (Note 2)	<b>Control</b> Desk <b>General Accounting Office</b> Room 3110 New York, NY 10199-9511
		San Francisco	Bank of America <b>ATTN: Military Postal Accounts</b> <b>P.O. Box 702</b> San Francisco, CA 94101
3	Returning <b>IRCs</b> , or	New York	<b>Postmaster</b> Accountable Paper Depository Room 3129 New York, NY 10199-9615
		San Francisco	Accountable Paper <b>Depository</b> <b>P.O. Box 886002</b> San <b>Francisco</b> , CA 94188-6002
4	Returning Stock or U.S. , <b>reply</b> coupons	New York	Same as Rule 3
		San Francisco	Stamp <b>Destruction</b> Committee Accountable <b>Paper Depository</b> <b>P.O. Box 886002</b> San <b>Francisco</b> , CA 04180-6002

NOTE 1: Submit one copy of all transactions outlined in rules 2 through 4 to the address listed in rule 1.

NOTE 2: Submit all remittances via Registered USPS **Indicia** Mail.

Table 5-2. Accountable Postmaster Addresses To Be Used For Flexible Credits.



Name Jerome L. Patterson		Location of Credit APO 09757	
(Check One) <input checked="" type="checkbox"/> Stamp Credit <input type="checkbox"/> Cash Credit		Credit Amount 1,000 00	
		Max. Authorized Cash Portion 300 00	
Issued by (Signature) Arthur E. Hayden, Jr.		Date 10 April 89	
<p>I will faithfully account to the U.S. Postal Service for the consigned credit amount shown above or modified by transactions recorded on my Daily Financial Reports. I have read the following statements and have been advised of the priorities of protection to be given funds and accountable paper in Part 434.2-434.4, <i>Fiscal Handbook</i>, F-1, and Parts 213 and 220, <i>Fiscal Handbook</i>, F-50. Employees and contractors will be held responsible for losses of stamps and funds from stamp credits resulting from failure to give the best available protection during and after post office hours in accordance with Part 430, <i>Fiscal Handbook</i>, F-1. Withdrawal of official funds for personal use, whether temporary or permanent, may subject employees or contractors to removal from office, cancellation of contract, and criminal prosecution for violation of Title 18, Section 641 or 1711, U.S. Code.</p>			
Signature Jerome L. Patterson		Date 10 April 89	
PS Form 3369, May 1987 ★ U.S.GPO:1988-0-202-395/78102 <b>CONSIGNED CREDIT RECEIPT</b>			

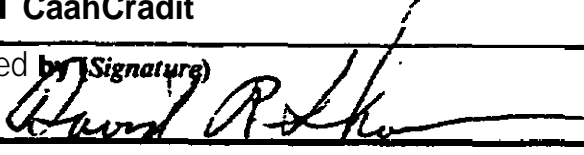

Figure 5-1. Sample Fixed Credit Receipt

FIGURE 5-E! .SAMPLE STAMP REQUISITION



The image shows two chemical structures. The top structure is a linear polymer chain consisting of repeating units of 2-vinylpyridine, represented as a backbone of carbon atoms with pendant vinyl groups and pyridine rings. The bottom structure is a copolymer chain consisting of repeating units of 2-vinylpyridine and 2-vinylpyridine-co-2-vinylpyridine, represented as a backbone of carbon atoms with pendant vinyl groups and pyridine rings.

PS FORM 3295  
MAY 1971

Name Walter F. Bleiler		Location Of Credit APO San Francisco 96571	
Check One) <input checked="" type="checkbox"/> Stamp Credit <input type="checkbox"/> Cash Credit		Credit Amount	40,000 00
		Max. Authorized Cash Portion	N/A
Signed by (Signature) 		Date 25 May 88	
<p>I will faithfully account to the U.S. Postal Service for the stamp credit amount shown above or modified by transactions recorded on my Daily Financial Reports. I have read the following statements and have been advised of the priorities of protection to be given funds and accountable paper in Part 142, Fiscal Handbook, F-1.</p> <p>Employees and contractors will be held responsible for losses of stamps and funds from stamp credits resulting from failure to give the best available protection during and after post office hours in accordance with Part 132, Fiscal Handbook, F-1.</p> <p>Withdrawal of official funds for personal use, whether temporary or permanent, may subject employees or contractors to removal from office, cancellation of contract, and criminal prosecution for violation of Title 18, Section 641 or 1711, U.S. Code.</p>			
Signature 		Date 25 May 88	

PS Form 3369, June 1986

CONSIGNEE CREDIT RECEIPT

Figure 5-5. Example of Completed PS Form 3369 (Flexible Credit)=

US Postal Service  
**DAILY FINANCIAL REPORT**

#1

Station, or Unit <b>APO SF 96571</b>			I.D. No. <b>086</b>		
I certify this is a true statement and the accountability consigned to me is as shown on this form.			Stamp Accountability		
Signature <i>Walter F. Blieler</i>		Date <b>25 May 88</b>			
<b>Walter F. Blieler, SFC, COPE</b>					
<b>Receipts</b>					
Description	AIC	\$ Amount			
Postage Sales	090				
Sird Stamp Sales	091				
Philatelic Product Sales (Items 800-999 Only)	092				
Retail Product Sales	093				
Domestic Money Orders	Value	100			
	Fee	101			
			<b>Disbursements</b>		
			Description	AIC	\$ Amount
			Adjustment for Previous Overage		
Adjustment for Previous Shortage			Cash Remitted (final)	752	
Cash Retained for previous Report			Cash Retained Today	753	
Cash Required			Cash Accounted For	800	

PS Form 1412-B, November 1987
U.S.GPO: 1987-0-202-395/72998

PREPARATION

PS Form 1412B (Daily Financial Report) is prepared in duplicate and distributed as follows :

- a. Original - Accounting Office, address of the accountable postmaster.
- b. Duplicate - Retain in MPO files.

HEADING

Number each PS Form 1412B in the upper right corner of the form, beginning with number 1 on the first duty day of the fiscal year.

Enter the APO (Army 6 Air Force) or OID (Navy & Marine Corps) designation in the station or unit block, and the account identification number in the ID No. block . The ID No. for APO 96571 is 086 .

Type the COPE's name, grade, and designation in the signature block.

Figure 5-6. Sample PS Form 1412B Prepared to Show Receipt of Initial Flexible Credit.

ACCOUNT INDICATOR CODE (AIC)

PS FORM 1412B

RECEIPT SECTION

<u>CODE</u>	<u>DESCRIPTION</u>	<u>EXPLANATION</u>
054	CUSTOM COLLECTION	Amount collected for payment of customs duties.
063	OVERAGE DERIVED FROM AUDITS	Total amounts collected for overseas in PROS and COPEs flexible account or MPC and FPC fixed credit account.  A letter of explanation shall be submitted to the postmaster (see rule 1, table 5-2 for the address) indicating the amount of ea-ch overage and the name and grade of each responsible person.
090	POSTAGE SALES	Value of stamps and stamped paper sold to include the amount of any shortage. This amount must agree with the amount reflected in AIC 852.
091	BIRD STAMP SALES	These stamps are not currently for sale at MPOs.
092	PHILATELIC PRODUCT SALES	This AIC is not currently used by MPos .
093	RETAIL PRODUCT SALES	This AIC is not currently used by MPos .
100	MONEY ORDER SALES	This AIC is not currently used by MPos .
110	POSTAGE METERS	Enter the total amount of funds derived from use of postage meters. PS Form 3602-PO shall accompany the PS Form 1412B to support this entry. .

Figure 5-7. AIC Codes (see figures 5-9 through 5-11 for use of AIC codes with PS Form 1412B).

<u>CODE</u>	<u>DESCRIPTION</u>	<u>EXPLANATION</u>	
111	CUSTOMER POSTAGE METERS	Enter the total amount of funds received from the customer as reflected on PS Form 3603.	FORM 3603
353	CASH RETAINED PREVIOUS REPORT	Enter the amount of funds carried over from AIC 753 of the previous report.	
356	ADJUSTMENT FOR PREVIOUS SHORTAGE	The amount submitted to resolve a previously reported shortage.	
400	CASH REQUIRED	The amount derived from entries in the receipt section of the form.	
<u>DISBURSEMENTS</u>			
536	REFUND OF POSTAGE AND FEES	This AIC is used to document refund of postage and fees, such as spoiled or unused postage meter tapes when accompanied by PS Form 3533.	
546	POSTAL SUPPLIES	This AIC is used to account for the local purchase of supply items required in the day-to-day postal related operations of MPS activities. Expenditures are authorized only when USPS supply centers and local self-service supply centers. do not have the required items.	
583	MAINTENANCE SERVICES	This AIC is used to account for funds used for local repair of postal equipment, such as adding machines, typewriters, and mail handling equipment.	
750	ADJUSTMENT FOR PREVIOUS OVERAGE	Adjustment for previous overages is NOT entered in this AIC. A letter is submitted to the postmaster to resolve such adjustments.	
752	CASH REMITTED (final)	The amount of cash converted to a check, when possible, for submission of remittance to cover entries made in the receipt section of the form.	

Figure 5-7. (continued)



CODE	DESCRIPTION	EXPLANATION
753	CASH RETAINED TODAY	Enter the amount of funds retained when only even denomination checks are available. This entry shall also be recorded in AIC 353 of the next report.
.761	SHORTAGES	Enter the total amount of any shortage being reported with this remittance.
800	CASH ACCOUNTED FOR	This amount includes cash to be forwarded for deposit. This amount and the amount shown in AIC 400 shall be equal.
<u>STAMP ACCOUNTABILITY</u>		
840	OPENING BALANCE	The amount derived from the previous report's CLOSING BALANCE (AIC 853).
841	STOCK RECEIVED	The value of stamps or stamped paper received from requisitions submitted on PS Form 17, automatic distribution of stamps or stamped paper, or the initial amount of accountability on the first day of business.
845	SUBTOTAL	Total of AIC 840 and 841.
846	STAMPED ENVELOPE DISCOUNT	The total discount amount for stamped envelopes sold in accordance with procedures outlined in subsection F.2., above. PS Form 3220 shall accompany the PS Form 1412B to support this entry.
847	VOIDED POSTAGE DUE	This AIC is not used by MPOs.
848	STOCK RETURNED	Value of stamps or stamped paper returned to the Accountable Paper Depository. This entry is made on the day the stamp stock is forwarded.
851	SUBTOTAL	The sum total of AICS 845, 846, and 848.

Figure 5-7. (continued)

CODE	<u>DESCRIPTION</u>	<u>EXPLANATION</u>	
852	TOTAL SALES	The total amount of stamp items sold, including the amount of any shortage, This amount is also entered in AIC 090.	 
853	CLOSING BALANCE	The difference between AICS 851 and 852.	
..			

Figure 5-7. (continued)

U S POSTAL SERVICE  
NO 096  
POSTMASTER  
SAN FRANCISCO CA 94101

# 2

CK # 580,651 Symbol # 5861

20 Oct 19XX  
DATE

**BANK OF AMERICA**  
DAY & NIGHT  
0066

\$ 2215.04  
TOTAL AMOUNT OF DEPOSIT

⑆0000000086⑆ ⑆1210003581⑆ 00667⑈80750⑈

1. The number on the bank deposit slip placed on the upper right hand corner " shall match the PS Form 1412B number that *reflects* the deposit. Consequently, bank deposit slips may not necessarily be numbered consecutively. For example, bank deposit slips may be numbered 1, 2, 4, 5, 6, 7, 9, 10, etc. Numbers 3 and 8 were not used because the 1412B bearing those numbers did not reflect a deposit.
2. The deposit slip is prepared in quadruplicate.
  - a. Original and one copy is forwarded to the bank with the remittance.
  - b. Triplicate copy of the deposit slip is forwarded to the accounting office with PS Form 1412B.
  - c. The quadruplicate copy is retained in the MPO files.
3. The COPE's identification number is Imprinted on the deposit slip.
4. Reflect the check number for funds submitted on the quadruplicate copy " of the deposit slip. If a U.S. Treasury check is being submitted, reflect the check symbol number also.

Figure 5-8. Sample of Bank Deposit Slip.

US Postal Service  
**DAILY FINANCIAL REPORT**

# 2

Station or Unit APO SF 9 6 5 7 1		I.D. No 086			
I certify this is a true statement and the accountability consigned to me is as shown on this form.				Stamp Accountability	
Signature <i>Walter F. Blieler</i>		Date 26 May 88		AIC	\$ Amount
Receipts		Opening Balance		840	40,000 00
		Stock Received (+)		841	
		Subtotal →		845	40,000 00
Description		AIC	\$ Amount	Stamp Envelope Discount (-) 846	
Postage Sales		0s0	400 00	Stock Returned (-)	
Bird Stamp Sales		091		Subtotal →	
Philatelic Product Sales (Items 800-999 Only)		092		851 35,500 00	
Retail Product Sales		0s3		Total Sales (-)	
				852 400 00	
				Closing Balance →	
				853 35,100 00	
Domestic Money Orders		Value	100	Disbursements	
		Fee	101		
				Description	AIC
				Flexible Acct Shortage	
				PFC Joe Lukie	
				Adjustment for Previous Overage	
Adjustment for Previous Shortage				Cash Remitted (Final)	752
Cash Retained for Previous Report		353		Cash Retained Today	753
Cash Required		400	400 00	Cash Accounted For	Soo
					400 00

PS Form 1412-B, November 1987
U.S.GPO: 1987-0-202-395/72998

PS Form 1412B prepared to reflect entries required for the RETURN OF REDEEMED OR DAMAGED STOCK to the Accountable Paper Depository, and SHORTAGE: in the Flexible or Fixed credit accounts (original shortage).

Enter the value of stock (redeemed, damaged, or exchanged) returned to the Accountable Paper Depository in AIC 848 (Stock Returned).

Enter the amount of any shortage or shortages in the DISBURSEMENT section of the form. In the blank space provided, enter "Flexible Accounting Shortage" and the name and grade of the responsible COPE or postal clerk. Enter "761" in the CODE column and the amount of the shortage in the amount column. The amounts reflected in AICS g52 and 090 must reflect the sum total amount of any shortage. The difference between the total sales and AIC 761 is entered in AIC 752. The amount shown in AIC 752 is the amount forwarded for deposit. In all instances, AICs 400 and 800 shall be equal.

Figure 5-9. Sample of PS Form 1412B Depicting Return of Stock and a Shortage.

US Postal Service				DAILY FINANCIAL REPORT			#3
Station 01 unit APO SF 96571		I.D. No. 086					
I certify this is a true statement and the accountability consigned to me is as shown on this form.				Stamp Accountability		AIC	\$ Amount
Signature <i>Walter F. Bleiler</i>		Date 4 Oct 19xx		Opening Balance		840	35,100.00
				Stock Received (+)		841	
				Subtotal		845	35,100.00
				Stamped Envelope Discount (-)		846	
				Stock Returned (-)		848	
				Subtotal		851	35,100.00
				Total Sales (-)		852	320.00
				Closing Balance		853	34,780.00
<b>Receipts</b>				<b>Disbursements</b>			
Description	AIC	\$ Amount		Description	AIC	\$ Amount	
Postage Sales	090	320.00					
Bird Stamp sales	091						
Philatelic Product Sales (Items S00-999 Only)	092						
Retail Product Sales	093						
Domestic Money Orders	100						
	101						
Overage from Audit	063	13.40					
Adjustment For Previous Shortage	356	22.11					
				Adjustment for Previous Overage			
Adjustment for Previous Shortage				Cash Remitted (Final)	752	355.51	
Cash Retained for Previous Report	353			Cash Retained Today	753		
Cash Required	400	355.51		Cash Accounted For	800	355.51	

PS Form 1412-8, November 1987

U.S. GPO: 1987-0-202-395/72998

PS Form 1412B prepared to reflect entries required for **OVERAGES** derived from audits of flexible or fixed credit accounts.

Type "Overage from Audit" in a blank space in the **RECEIPTS** section of the form. Type "063" in the code column and the total amount of the overage being submitted in the **amount** column.

If the block in the example is used to record other transactions, overage information may be placed in any blank space in the **RECEIPTS** section of the form.

Figure 5-10. Sample PS Form 1412B Depicting an Overage and Adjustment for Previous Shortage in Credit.

US Postal Service DAILY FINANCIAL REPORT				#1	
Station or Unit 571		I.D. No. 086			
I certify this is a true statement and the accountability assigned to me is as shown on this form.				Stamp Accountability	
Signature <i>Walter F. Bleiler</i>		Date 6 Oct 19xx			
Receipts				AIC	
Description		AIC		\$ A - t	
Postage Sales		0s0		050:00	
Aird Stamp Sales		091			
Philatelic Product Sales (Items 800-999 Only)		092			
Retail Product Sales		093			
Domestic Money Orders		Value		100	
		Fee		101	
Postage Meters		110		75:75	
Customer Meters		111		1,000:00	
Adjustment for Previous Shortage					
Cash Retained for Previous Report		353			
Cash Required		400		1,925 00	
				Disbursements	
Description		AIC		\$ Amount	
Opening Balance		840		34,780 00	
Stock Received (+)		841			
Subtotal				34,780 00	
Stamped Envelope Discount (-)		S46			
Stock Returned (-)		848			
Subtotal		851		34,780 00	
Total Sales (-)		852		850 00	
Closing Balance		853		33,930 00	
Adjustment for Previous Overage					
Cash Remitted (Final)		752		1,925 75	
Cash Retained Today		753			
Cash A-ted For		Soo		1,925 00	

PS Form 1412B prepared to reflect the required entries for reporting the amount of funds derived from the use of POSTAGE METERS.

PS Form 3602-PO shall be submitted at the same interval as PS Form 1412B.

Type "Postage Meters" in a blank space in the RECEIPTS section of the form. Type "110" in the AIC column and the total amount of funds expended by postage meters in operation.

The original copy of PS Form 3602-PO for each postage meter remittance submitted shall be attached to the PS Form 1412B to support this entry.

The duplicate copy shall be maintained in the COPE's files. The triplicate copy shall be retained by the postage meter operator.

Figure 5-11. PS Form 1412B Ref letting Postage Meter and Customer Meter Sales.



Person ~~selling~~ envelopes.

Date envelopes were received from the **COPE/Accountable** Postmaster.

Date credit for **discount** is submitted to the COPE or Accountable Postmaster.

U.S. POSTAL SERVICE CLAIM FOR STAMPED EVELOPE DISCOUNT				
REPORTING UNIT		NAME OF EMPLOYEE	BEGINNING DATE	ENDING DATE
APO 09 XXX		John Q. Doe, Sgt.	13Feb81	20Feb81
DATE SOLO	PURCHASER	NUMBER OF BOXES OF 500		
		SIZE NO. 6 3/4	SIZE NO. 10	
13Feb81	Army 6 Air Force Exchange	1	1	
14 Feb81	Dependent Schools	2		
15Feb81	American Red Cross	1		
18 Feb81	Army & Air Force Exchange	1	1	
TOTAL NO. OF BOXES SOLO		5	2	
DISCOUNT PER BOX		814.15	813.15	
TOTALS (Multiply No. of Boxes sold by discount per box)		\$ 70.75	\$ 26.30	
VERIFIED & v (Supervisor) Signature of COPE' or Supervisor		DATE ENTERED TO AID 534	TOTAL DISCOUNT CLAIMED (a plus b)	
			\$ 97.05	

Figure 5-13. Accounting for Discount Envelope Sales.